

**COURT OF APPEAL OF ALBERTA**Form 49  
[Rule 13.19]

COURT FILE NUMBER	2101-0085 AC
TRIAL COURT FILE NUMBER	25-2332583 25-2332610 25-2335351
REGISTRY OFFICE	CALGARY
APPLICANT	STETTLER COUNTY and WOODLANDS COUNTY
STATUS ON APPEAL	NON-PARTY
STATUS ON APPLICATION	APPLICANT
RESPONDENT	ALVAREZ & MARSAL CANADA INC. in its capacity as the Court-appointed receiver and manager of MANITOK ENERGY INC.
STATUS ON APPEAL	APPELLANT
STATUS ON APPLICATION	RESPONDENT
RESPONDENTS	PRENTICE CREEK CONTRACTING LTD., RIVERSIDE FUELS LTD. and ALBERTA ENERGY REGULATOR
STATUS ON APPEAL	RESPONDENTS
STATUS ON APPLICATION	RESPONDENTS
DOCUMENT	<b>AFFIDAVIT (WOODLANDS COUNTY)</b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Gregory G. Plester Brownlee LLP 2200 Commerce Place 10155 102 Street Edmonton, AB T5J 4G8 Telephone: (780) 497-4859 Facsimile: (780) 424-3254 File #: 71552-0086

**AFFIDAVIT OF GORDON FRANK**Sworn on July 15, 2021

I, Gordon Frank, of Woodlands County, in the Province of Alberta, MAKE OATH AND SAY THAT:

1. I am the Chief Administrative Officer for Woodlands County (the "County"), and as such, I have personal knowledge of the matters hereinafter deposed to except where stated to be based on information and belief and, where so stated, I do verily believe the same to be true.
2. The County seeks involvement in this appeal as it may be significantly impacted by the result of this appeal, both with respect to its ability to recover taxes against insolvent oil and gas companies (generally as well as specifically in the matter of Trident Exploration Ltd., as discussed below), and with respect to its role as a regulatory body in its own right.

### **Overview of the County**

3. The County is a municipal corporation established under the *Municipal Government Act* (the "MGA").
4. The County is a rural municipality, with its boundaries located northwest of Edmonton. It has a population of approximately 4,754 as of the 2016 census. Its annual operating budget was approximately \$18 million in 2019 and approximately \$19 million in 2020.
5. Pursuant to section 3 of the *MGA*, the County's purposes include providing good government, fostering the well-being of the environment, and providing services, such as roads and other infrastructure, which are used by oil and gas companies in accessing their licensed properties.
6. In order to fund its activities and the services it provides, the County is required under the *MGA* to levy property taxes upon assessed property located within the County's municipal boundaries. This is done through a property tax bylaw required by section 353 of the *MGA*, which is passed by the County's Council annually.

### **Relevance of Manitoak Receivership and Appeal Hearing to Woodlands County**

#### *Unpaid Taxes from Oil and Gas Companies*

7. The present Manitoak appeal and its outcome is likely to have substantial implications for the County and its ability to recover property taxes from insolvent oil and gas companies.

- 8. Generally, non-payment of property taxes by oil and gas companies has been a significant issue for the County in recent years. In total, the County estimates that, since 2018, oil and gas companies operating within the County’s borders have failed to pay approximately \$10.4 million in property taxes.
- 9. The County is not owed property taxes by Manitok specifically. However, the County is a stakeholder in the receivership of another insolvent oil and gas company, Trident Exploration Ltd. (“Trident”). The County is owed approximately \$3 million in outstanding property taxes from Trident and related entities. The majority of these amounts are post-receivership taxes, levied after the effective date of the receivership.
- 10. The relevance of the within matter to the Trident receivership is discussed in more detail at paragraphs 11 to 13 of the Affidavit of Yvette Cassidy, filed by Stettler County. I agree with and affirm her statements in these paragraphs.

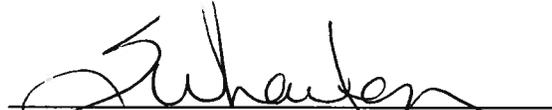
*The County as Another Regulator*

- 11. At paragraphs 14 and 15 of the Affidavit of Yvette Cassidy, the regulatory capacities of municipalities, including Stettler County, are discussed. I agree with and affirm the statements in these paragraphs, which are applicable to Woodlands County as well.

*Conclusion*

- 12. I make this Affidavit in support of an Application by the County for an Order granting the County intervenor status in the within appeal, subject to such terms and conditions and with such rights and privileges as this Honourable Court may specify.

SWORN BEFORE ME at WHITECOURT  
Alberta, this 15<sup>th</sup> day of July, 2021.

  
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Commissioner for Oaths in and for  
Alberta

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GORDON FRANK

**SHANNON L. WHARTON**  
A Commissioner for Oaths  
In and for the Province of Alberta  
Expires: October 05, 2023